

STATE SENATOR • RAYMOND E. BASHAM • 8TH DISTRICT

Basham Press Release

P.O. Box 30036 • Lansing • Michigan • 48909-7536 • 517-373-7800 • Fax: 517-373-9310
E-mail: senrbasham@senate.michigan.gov • www.senate.michigan.gov/dem/SD08



FOR IMMEDIATE RELEASE
June 8, 2006

Contact: Sen. Ray Basham
(517) 373-7800

Senate Approves Basham Bill to Protect Consumers from Fraudulent Contractors

Bipartisan officials and industry work together to prevent abuse

LANSING- The Michigan Senate today passed legislation sponsored by Senator Ray Basham (D-Taylor) which takes to task unscrupulous building contractors who take advantage of consumers. Senate Bill 826 protects consumers from contractors who commit fraud by increasing penalties for illegal activity, providing tools and incentives to go after bad actors, and minimizing the opportunities for abuse.

“As families use the warmer weather to build new homes or begin home improvement projects, we must make sure that they aren’t taken advantage of by contractors who don’t do quality work,” said Senator Basham. “This legislation will help give consumers the tools they need to deal with home builders who don’t play by the rules.”

Senate Bill 826 would require courts to make information available to consumers when violations by contractors occur; give additional powers to law enforcement to bring charges against offenders; drastically increase the fines and penalties for unscrupulous contractors, require restitution be paid to homeowners in all judgments, and strengthen the licensing requirements. This legislation is part of a bipartisan package of bills, including Senate Bills 631, 632, 827 and 1273, that were also passed by the Senate today.

“While it is a minority of bad actors in the construction industry that prey on unsuspecting homeowners, their victims are many and the cost and damages resulting from their unscrupulous actions are significant,” said Basham. “My legislation is tough on dishonest contractors and puts an end to their predatory schemes.”

This legislative package is the result of more than 18 months of work by the Senate Bipartisan Bad Contractors Work Group headed by Basham. The work group included representatives from the Michigan Association of Home Builders, the Builders Industry Association of Southeastern Michigan, the Attorney General, the Prosecuting Attorneys Association of Michigan, and the Michigan Department of Labor and Economic Growth. The work group convened after several complaints of contractors being hired for projects and either not finishing the work or completing it at sub par standards. Contractors’ have also expressed concern over the fact that much of the fraud and illegal activity is done by unlicensed builders.

“Most home builders do honest work at a fair price, but those who don’t play by the rules need to be held accountable,” said Lee Schwartz, Executive Vice-President of Government Relations for the Michigan Association of Home Builders. “This legislation will help ensure we don’t leave these vulnerable consumers out to dry while a few unlicensed or predatory contractors take home big cash for little work.”

###